GOVERNMENT OF AHNDHRA PRADESH
A B S T R A C T

III & C Department - Cancellation of orders awarding project of International Convention Centre at Visakhapatnam to M/s Lulu International Shopping Mall Private Limited – Orders - Issued – Reg.

INDUSTRIES, INFRASTRUCTURE, INVESTMENT &COMMERCE(Airports) DEPARTMENT

G.O.Ms.No.97 Dated 08-11-2019.
Read the following:

1) G.O. Rt.No.31, Energy, I & I Department, Dated 20.2.2017.
2) G.O. Rt.No.116, Energy, I & I Department, Dated 25.7.2017.
3) G.O. Ms.No.5, Energy, I & I Department, Dated 16.2.2018.
4) G.O. Ms.No.14, Energy, I & I Department, Dated 5.3.2019.
5) From the VC&MD, APIIC, Lr.No.847/APIIC/Projects/Dev.of ICC/VSP/2017, dated 01.07.2019.
6) From the C&MD, INCAP, Lr.No.INCAP/27/2017-Vol-II, dated 25.10.2019.

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ORDER:

In the G.Os 1st to 4th read above, among other issues, Government has awarded the project of International Convention Centre at Visakhapatnam to the M/s. Lulu International Shopping Mall Private Limited who was the lone bidder. The total Project Site of Ac.13.83 Cts (comprising of Ac. 9.12 Cts as specified in Bid Documents + Ac. 4.71 Cts additional land allotted by the Government) was considered.

2. The land allotted to M/s.LuLu International Shopping Mall Private Limited at Visakhapatnam is a prime land, at APIIC ground, Harbour Park land, R.K. Beach Road, Visakhapatnam. While the expected Annual Land Lease Rent amount is Rs.7,09,79,752/- with an escalation of 5% per annum, the Collector, Visakhapatnam has informed that the present market value of the said land is about Rs.50 Crores per acre. Compared to the present value of the land, the lease rentals offered by M/s.LuLu International Shopping Mall Private Limited are not justifiable. In addition to the above, the present land is located at Beach Road, which may cause environmental issues.

3. It has come to the notice of the Government, that there are legal issues on some portion of the site allotted to M/s.LuLu International Shopping Mall Private Limited. In the letter 5th read above, the Vice-chairman and Managing Director, APIIC has requested for cancellation of the Projects as the works are not grounded. Further, important piece of land was given on lease at unjustifiable rates to the Developer.

4. In view of the above and since the project cannot be implemented under the above circumstances, Government after careful examination hereby cancel the Project of International Convention Centre at Visakhapatnam for bringing more transparency and in public interest.

5. The Vice-Chairman and Managing Director, APIIC shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RAJAT BHARGAVA
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Vice-chairman and Managing Director, APIIC, Mangalagiri, Guntur Dist.
The Chairman and Managing Director, INCAP, Vijayawada.
The Dist. Collector, Visakhapatnam.
The Vice-chairman, Visakhapatnam Urban Development Authority.
The Commissioner, Greater Visakhapatnam Municipal Corporation
The Revenue (LA) Department.
The Revenue (Stamps & Regrn.) Department.
The Transport, Roads & Buildings Dept.
The Youth Advancement Tourism & Culture (Tourism) Department.

Copy to
The Law Department.
The Finance Department.
P.S., to Prl. Advisor to C.M.
P.S., to Prl. Secretary, III & C Dept.
The G.A. (Cabinet) Dept.
(C.No.ENE01-17022/113/2019-AIRPORTS-E&I&I)

//Forwarded :: By Order//

SECTION OFFICER